

# Benefits

## 2018



## Executive Management

### Health and Welfare

The City provides an annual allotment of \$17,390 (\$724.58 twice-monthly) for Executive employees to use toward the purchase of benefits available under the City's IRS Section 125 Cafeteria Benefits Plan (Flex Plan).

From this allotment employees may choose coverage for themselves under one of the health plans offered by the City. With the remaining money, employees may elect: health coverage for their dependents, dental/vision coverage for themselves and their dependents, set aside funds in a flexible spending account (FSA) for reimbursement of eligible health or dependent care expenses, or place it in a taxable cash option.

#### HEALTH PLANS

The City currently offers the Kaiser, UHC Signature Value and UHC Signature Full HMO plans, and the UHC PPO plan to its active employees and their dependents through its Flex Plan. Health coverage is effective on date of hire. Eligible employees may waive City-sponsored medical coverage. Flex Allotment of employees waiving coverage and those with Employee Only medical coverage is fixed at the Flex Allotment amount provided in plan year 2013 (\$15,162).

#### DENTAL INSURANCE

The City currently offers the Cigna Dental DHMO and Cigna Dental PPO Plans. Coverage is effective on date of hire.

#### VISION INSURANCE

The City currently offers the MES Vision plan. Coverage is effective on date of hire.

#### FLEXIBLE SPENDING ACCOUNTS (FSAs)

The City offers both health and dependent/child care FSAs. FSAs may be funded by your Flex Plan allotment and/or payroll deductions. The maximum annual Health FSA allocation is \$2,650 from all sources. Dependent/Child Care FSAs are limited to \$5,000 from all sources.

#### CASH PAYMENT OPTION

Any Flex Plan allotment remaining after electing medical, dental, vision and/or FSA coverage may be allotted to a taxable Cash Payment Option. Payment will be made in 24 installments – January - December. The maximum cash payment for Plan Year 2018 is \$12,000.

#### LIFE INSURANCE

The City provides Executive employees with a \$50,000 Group Term Life and Accidental Death and Dismemberment policy. In addition to the basic life insurance provided by the City, employees may purchase Optional coverage in multiples of \$10,000, up to a maximum of \$550,000 or four times their annual salary, whichever is less. Dependent coverage is also available if employees purchase Optional coverage for themselves. Dependent spouse or domestic partner can elect up to the lesser of \$100,000 or 50% of your coverage, in \$10,000 increments. Coverage of \$10,000 is available for dependent children up to age 26.

#### SHORT/LONG-TERM DISABILITY (STD/LTD) INSURANCE

The City provides employees with Short Term and Long-Term Disability insurance. If you are disabled according to the policy's definition of disability, you may be eligible to receive a benefit based upon 60% of your basic earnings up to a maximum of \$1,732 per week. Benefits would begin after an "Elimination Period" of 30 days for an accident or sickness and would be paid for as long as you continue to meet the policy's definition of disability. STD benefits are payable for up to nine weeks. After nine weeks, coverage transitions to LTD. LTD benefit is 60% of your monthly earnings to a maximum of \$7,500 per month. LTD benefits duration is based on your age when the disability occurs up to your Social Security normal retirement age.

### Retirement

#### BASIC RETIREMENT

The City contracts with CalPERS for the provisions of its retirement benefits as set forth in the California Government Code and California Public Employees' Pension Reform Act of 2013.

Retirement Tier	Retirement Formula	Employee Deduction	Minimum Age for Retirement
Tier 1 Retirement	Local Miscellaneous 3% @ 60	9%	50
Tier 2 Retirement	Local Miscellaneous 2% @ 60	7.2%	50
Tier 3 Retirement	Local Miscellaneous 2% @ 62	6.75%	52
Tier 1 Retirement	Local Safety 3% @ 50	9.0%	50
Tier 2 Retirement	Local Safety 3% @ 55	9.0%	50
Tier 3 Retirement	Local Safety 2.7% @ 57	12.25%	50

*Tier 1 – Employees who became CalPERS members with the City of Chula Vista prior to 04/22/2011*

*Tier 2 - Employees who became members of CalPERS or a reciprocal agency between 04/22/2011 through 12/31/2012*

*Tier 3 - New CalPERS members or reciprocal agency members on or after 01/01/2013*

Employees may retire when they reach minimum age for retirement with five years of CalPERS service credit. Following is a summary of the CalPERS contract provisions:

- One Year Final Compensation (Tier 1 only)
- Three Year Final Compensation (Tier 2 & 3)
- 1959 Survivor Benefit - Level 4
- Post Retirement Survivor’s Continuance

- Military Service Credit as Public Service
- Credit for Unused Sick Leave
- Retired Death Benefit \$5,000
- Social Security Coverage-None

457 DEFERRED COMPENSATION

The City offers 457 plans through ICMA and Nationwide. These accounts are voluntary and are employee funded.

Vacation, Holidays and Leaves

VACATION

Executive Managers accrue 25 days per year at a rate of 7.69 hours per pay period. The maximum accrual is three times the annual accrual (75 days). Employees may sell back to the City up to 120 hours of accrued vacation once per fiscal year.

MANAGEMENT LEAVE

Executive Managers receive 96 hours per fiscal year. Hours are credited at the beginning of each fiscal year and must be used prior to June 30. Hours are pro-rated based on start date.

SICK LEAVE

Executive Managers accrue 96 hours per year at a rate of 3.69 hours per pay period. If during a fiscal year in which the employee was employed as of July 1, they use 32 hours or less of sick leave, they may convert to vacation hours 25% of the remaining fiscal year’s accrual.

HARD HOLIDAYS

The City is closed and employees receive compensation for the following holidays:

- New Year’s Day - January 1
  - Cesar Chavez Day - March 31
  - Independence Day - July 4
  - Veterans Day - November 11
  - Day after Thanksgiving
- Martin Luther King, Jr. Day - Third Monday in January
  - Memorial Day - Last Monday in May
  - Labor Day - First Monday in September
  - Thanksgiving Day - Fourth Thursday in November
  - Christmas - December 25

FLOATING HOLIDAYS

Employees are credited with 24 hours each fiscal year for the following floating holidays:

- Lincoln’s Birthday - February 12
  - Admission Day - September 9
- Washington’s Birthday - Third Monday in February

LEAVE BALANCE PAYOFF AT TERMINATION

All vacation and accrued floating holidays are paid in a lump sum payment upon termination. Sick leave balances will not be paid upon termination. If the employee retires from the City within four months of separation from employment, he/she may convert unused sick leave to additional CalPERS service credit at the rate of 0.004 year of service credit for each day of unused sick leave. There is no payoff for unused management leave.

Other Benefits

MILEAGE REIMBURSEMENT

Executive Managers shall be entitled to mileage reimbursement when required to use their private automobile for authorized City business.

SPECIAL ASSIGNMENT

Executive Managers may receive up to 10% additional compensation when assigned by the City Manager to a special project.

UNIFORM ALLOWANCE AND EDUCATIONAL DIFFERENTIALS

The Police Chief and Fire Chief will be provided with uniform allowance and educational differentials as specified in the applicable public safety Memorandum of Understanding.

SEVERANCE PAY

In the event an Executive Manager is terminated without cause, he or she shall receive compensation in a lump sum cash payment equal to nine (9) months of his or her annual salary and health insurance payments. If an Executive Manager has an employment contract, the severance payment shall be set forth in his or her employment contract.

Information contained herein is for informational purposes only. If there is conflicting information, the employee’s Compensation Summary and/or Civil Service Rules will prevail.